Senate Bill No. 1899

CHAPTER 1090

An act to add Section 340.9 to the Code of Civil Procedure, relating to insurers.

[Approved by Governor September 30, 2000. Filed with Secretary of State September 30, 2000.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1899, Burton. Northridge earthquake of 1994.

Existing law sets forth the statutes of limitations for various causes of action, as specified.

This bill would provide that, notwithstanding any other provision of law or contract, certain insurance claims for damages arising out of the Northridge earthquake of 1994 which are barred as of the effective date of this bill solely because the applicable statute of limitations has or had expired are hereby revived and a cause of action thereon may be commenced provided that the action is commenced within one year of the effective date of the bill. The bill would set forth related provisions.

The people of the State of California do enact as follows:

SECTION 1. Section 340.9 is added to the Code of Civil Procedure, to read:

340.9. (a) Notwithstanding any other provision of law or contract, any insurance claim for damages arising out of the Northridge earthquake of 1994 which is barred as of the effective date of this section solely because the applicable statute of limitations has or had expired is hereby revived and a cause of action thereon may be commenced provided that the action is commenced within one year of the effective date of this section. This subdivision shall only apply to cases in which an insured contacted an insurer or an insurer's representative prior to January 1, 2000, regarding potential Northridge earthquake damage.

- (b) Any action pursuant to this section commenced prior to, or within one year from, the effective date of this section shall not be barred based upon this limitations period.
- (c) Nothing in this section shall be construed to alter the applicable limitations period of an action that is not time barred as of the effective date of this section.
 - (d) This section shall not apply to either of the following:
- (1) Any claim that has been litigated to finality in any court of competent jurisdiction prior to the effective date of this section.

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(2) Any written compromised settlement agreement which has been made between an insurer and its insured where the insured was represented by counsel admitted to the practice of law in California at the time of the settlement, and who signed the agreement.